Matthias Ebenau, Ian Bruff and Christian May (eds.), New Directions in Comparative Capitalism Research: Critical and global perspectives

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This volume consists of twelve chapters and a short conclusion that all focus to varying degrees on Hall & Soskice’s Varieties of Capitalism volume (VOC), with many of them developing alternatives to what they see as the dominant framework in comparative capitalism (CC) studies (declaration of interest: this reviewer was among the first generation of VOC authors). The book is divided in three parts: Comparing capitalisms in the global political economy; Critical perspectives and debates; and Global perspectives and debates. While these somewhat bland subtitles do not really convey a good sense of what is going on in each of these subsections, the relatively short individual chapters offer a wide variety of critical points on VOC. In my opinion, there are three important insights to take away from this volume. One, capitalism is a global phenomenon, which implies that symmetric comparisons of national models of capitalism à la VOC misses the hierarchical and interdependent nature of the contemporary capitalist world economy. Two, the attention to the temporary effects of institutions may have obscured the need to understand better the need for and the mechanisms of capital accumulation. And, three, capitalism is also, and primarily, an economic system that thrives on (political) subjugation and exploitation, well beyond the ‘coordination’ problems that VOC is built on. None of these insights are radically new in themselves, but they serve as a useful reminder of some of the key mechanisms of capitalist development that have received little attention in the CC debate over the last two decades.

The main overarching theoretical perspective that informs the volume is Marxism – in its many versions, from classical work built on what Marx has written, via neo-Marxism that brings in new dimensions of political economy in advanced (‘late’) capitalism, to post-colonial and gender approaches. But an equally useful distinction could be drawn between ‘theory’ and more ‘grounded’ chapters, i.e. those that discuss debates on approaches and theories, on the one hand, and, on the other, more grounded chapters that use ‘post-VOC’ approaches to make sense of recent developments in, for example, Central and Eastern Europe, the Irish growth model, the political economies of Latin America, and effects of the European crisis on gender inequalities.

There is little doubt that this collection provides some helpful food for thought and useful correctives to the general direction where CC has been going. That said, I
am far from persuaded by many of the critiques of VOC. What appears to be almost forgotten is that VOC reinvigorated the field of CC, which had gone into hibernation after the collapse of neo-corporatist arrangements following widespread labour market deregulation in the 1980s (see the generous analysis by David Coates in this volume). Without the Hall & Soskice book, we would probably still be drawing diagrams based on lists of elements that might matter. One of the key strengths of VOC was, as a few of the contributions to the volume point out, its attention to systemic combinations of factors, based on the three markets that define capitalism (labour, capital and product markets) and the institutional frameworks that govern them. Without VOC, in other words, we would probably not even have a debate about different models of capitalism or about the shortcomings of such an idea. Both orthodox economics and Marxism were equally blind to that variety and the differential effects it might produce.

This brings me to a second consideration. VOC, and much of CC, was informed by a post-Marxist critique of standard economics. Institutions, both as congealed power arrangements in a Gramscian sense and as coordination mechanisms between economic actors (remember that the historical origins of an institution and its function in a system can be very different), were regarded as a bridge between historical struggles and the particular form that political-economic configurations took. Rooted as they are in national histories, they powerfully shaped pathways along which capitalist economies developed, and several contributions urge us to be careful and not throw out the baby with the bathwater (e.g. the chapters by May & Nölke and by Drahokoupil & Myant). Somewhat surprisingly, though, most of the volume seems to blend out the impact of institutional settings on the shape of the economy, and leave me somewhat wondering about the sources of variety in capitalism – assuming, of course, that this matters. I would find it relatively easy (and very fruitful) to imagine a genuine post-VOC approach, which takes more seriously the idea that institutions are important for a variety of reasons in the development of different forms of capitalism, that they have different effects on inequality and life chances more generally, and combine that notion with a narrower class analysis – a grandchild, if you want, of the French Régulation School back in the 1970s and 80s. Much of the work in this volume, though, simply sidesteps such a research programme in favour of a return to some of the categories and arguments against which VOC initially positioned itself.

My third reflection deals with the notion of research underlying this volume. Too much of it is, in my view, debates about debates. There is nothing wrong per se with one or two chapters of theoretical reflections, but half a book of abstract reasoning (often in quite hermetic language), and without much systematic attention to empirical phenomena, can leave the reader disturbed about the purpose of such a collection. Jessop’s chapter shows the dangers of that, when he admonishes VOC for not having much to say about the future (of course not, as I often joke to my students, even crystal balls made by highly skilled German workers are not very precise), and that the unwritten fourth, fifth and sixth volumes of Marx’s Capital are a much better guide to that. If I understood correctly what Popper and Lakatos had to say about scientific progress, presenting and solving research puzzles – valid observations that should be explained given our theories but really are not – would have demonstrated much better what Marxian-inspired approaches can contribute to the study of contemporary capitalism. In that Lakatosian universe, a series of
chapters on empirical phenomena that most of CC, including VOC, missed but were crucial, would have significantly helped the reader appreciate some of the finer theoretical points (see the last section in the chapter by May and Nölke, which explicitly addresses this problem).

In conclusion, this volume raises a set of very useful critiques of contemporary CC work. It also offers some sense of what the next steps in CC research could be. And it shows what more dynamic approaches to the study of contemporary capitalism, in both its comparative and holistic, systemic form might be able to offer. But it could have developed the latter considerably better. Perhaps a follow-up volume might do that?